

Warner. It's good to have a person around that understands the system, understands the way things should be and we should thank Senator Warner for this and I do, and thank you.

SENATOR CROSBY: Thank you, Senator Cudaback. The question is, shall LB 732 advance to E & R initial. All in favor vote aye, opposed no. We're voting on the advancement of LB 732. Have you all voted? Record, please.

CLERK: 25 ayes, 0 nays, Madam President, on the advancement of LB 732.

SENATOR CROSBY: LB 732 advances. LB 483.

CLERK: 483, a bill introduced by Senator Avery. (Read title.) The bill was introduced on January 17 of this year, referred to the Revenue Committee. There are Revenue Committee amendments pending, Madam President.

SENATOR CROSBY: Senator Warner, on the committee amendments.

SENATOR WARNER: Madam President, members of the Legislature, the committee amendment is not any substantive change, it's a rewrite of the intent of the bill as it was introduced but this is one of the bills that deals with homestead exemption. It addresses some of the issues that have been brought up. We have been attempting to deal with each of those issues that has come up as a result of the legislation a couple of years ago. It was in a separate bill. There is still one other bill that, should we get to it, that will deal with more so with eligibility. This deals with one aspect and one aspect alone and that was the provision that was contained in the bill which was a cost containment provision. It saved a couple million dollars at the time, but it was that if a home was worth over \$100,000 it did not qualify and the theory of course is that homestead exemption was intended and in fact is supposed to be for a low income elderly and not a general type of property tax project. What the bill does is reduces that maximum to 95,000 rather than 100 and then it phases it out. What it is attempting to get rid of is the cliff effect of which if your house was over a 100...if it was \$100,001 you were out and if it was 99,999 or 100,000 you were in. This phases it out so over 95,000 for each \$2,500 of valuation in excess of 95,000 that you qualify for 10 percent less property tax reduction than whatever your eligibility criteria based on income is up to a maximum of \$20,000. You